

# TEXAS GENERAL LAND OFFICE COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY PROGRAM



## 2011 Disaster Recovery Fund: Texas Wildfires

### Housing Application Intake Process Handbook

### Down Payment Assistance (DPA) Program

## Bastrop County, Texas

October 29, 2012 – January 29, 2013

Prepared by:  
Texas General Land Office

1700 Congress Avenue  
Austin, Texas 78701  
Telephone 866.206.1084

Dear Applicant:

The Texas General Land Office (GLO) is pleased to announce that the 2011 Disaster Recovery Fund Application and Housing recovery activities related to Texas Wildfires is now available.

This application is made available for CDBG Disaster Recovery Housing Applicants under the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, (Public Law 112-55), enacted on November 18, 2011 for the purpose of assisting in the recovery activities related to disaster relief, long-term recovery, and restoration of infrastructure, housing and economic revitalization in areas affected by Texas Wildfires.

Questions and comments about this handbook or any other aspect of the Texas Community Development Block Grant Disaster Recovery Housing Program should be addressed to the following location:

	LSSDR
	Texas General Land Office
	Texas Wildfire Program
Physical Address:	1106 College Street Suite D
	Bastrop, Texas 78602
Mailing Address:	PO Box 140767
	Austin, Texas 78714-0767
Main Telephone Number:	512-706-7556
Toll Free Number:	1-855-706-7556
For Completed Applications Only:	<a href="mailto:bastrophousing@glo.texas.gov">bastrophousing@glo.texas.gov</a>

We look forward to working with you to provide assistance to the residents of Bastrop County who were impacted by the Texas Wildfires.

Sincerely,

Jorge Ramirez, Director  
CDBG Disaster Recovery Program

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## **DOWN PAYMENT ASSISTANCE OVERVIEW**

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The DPA Program for the 2011 Bastrop Wildfires will provide financial assistance to families purchasing homes in areas impacted by the 2011 Wildfires. Financial assistance will be provided for down payment, reasonable closing costs, pre-paid items and principal reduction for either a single-family property (detached and attached 1-4 units) or a modular home/manufactured home. The program will require that the property being purchased is located within the County of Bastrop and will be subject to property taxes, as verified by current tax rolls.

The level of assistance provided for families earning up to 100% of the AMFI who are purchasing a home in the designated CDBG areas will receive up to 10% of the purchase price of the home or \$20,000 whichever is less, based on the identified need.

Use of Funds: Direct financial assistance to offset portions of the down payment, reasonable closing costs, pre-paid items and/or principal write-down assistance required for a home purchase. Prepaid items include but are not limited to the initial payment for Hazard Insurance, Flood Insurance and Mortgage Insurance. Applicants who qualify and chose to participate in the DPA program may only purchase homes within the County of Bastrop.

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## **APPLICATION INTAKE PROCESS**

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Applications for Down Payment Assistance in Bastrop County will be processed by the contracted case management firm and will be deemed eligible or non-eligible based on the criteria outlined below.

### **ELIGIBILITY DETERMINATION**

- Applicants will be screened for program eligibility based on receipt of a timely completed application and eligibility criteria as established by HUD and the GLO Action Plan.
- Properly submitted applications will be separated into two pools; (1) those that are at 80% AMFI or below with homes that were destroyed by the wildfire and (2) those that are between 80%-100% AMFI with homes that were destroyed by the wildfire. Applicants from the 80% and below pool will be served first and chosen at random until all eligible applicants have been served or until funding runs out, whichever comes first. Should funding remain after serving those eligible from this pool of applicants, the same process will begin for those between 80% and 100% AMFI.
- Applications will be selected at random from the “eligible” pools to establish a number order of eligible applicants.
- Lutheran Social Services Disaster Response ([LSSDR](http://www.lssdisasterresponse.org/)) case managers (CM) will contact applicants in the order established by the random sorting process chosen beginning with applicant number one in the 80% AMFI or below pool. The CM will contact the applicant to verify and collect all required documentation in order to determine eligibility of applicant into the DPA housing program. <http://www.lssdisasterresponse.org/>

- LSSDR will work with applicants to obtain any Releases of Information (ROI) from the applicant as necessary to complete any and all eligibility verifications, including items such as income verification, FEMA, SBA, and/or insurance funds to assess any duplication of benefits.
- LSSDR will work with GLO and other applicable partners to verify income eligibility and income priority levels of the applicants.
- It will be the responsibility of the applicant alone (not the CM or LSSDR) to obtain all necessary and required documentation in meeting the eligibility criteria for the program.
- LSSDR will provide technical assistance and support to the applicant during the process, including contact information and referrals to resources necessary to gather documentation.
- It is understood that applicants may face delays in the gathering of documentation that are out of their control. It is expected that the applicant must be able to show progress toward the receipt of required eligibility documentation in order to maintain position in the process.
- Eligibility determinations will cease when the maximum number of estimated clients to receive housing assistance through the program has been reached. LSSDR will restart the eligibility determination process in order to qualify additional applicants, as dictated by the GLO, and as funds available through the program allow. The GLO will monitor the need for DPA applicants and may choose to end the program, if a need is not found to exist, no earlier than the first application period end date.

## **DOWN PAYMENT ASSISTANCE APPLICATION SUBMISSION**

- Application will be made available online through GLO and LSSDR websites, available for pick up in person at designated program office locations, and made available through local partners and response entities such as Bastrop County Long Term Recovery Team ([BCLTRT](#)), government agencies, and others.
- Applications may be submitted in the following ways:
  - In person at the Bastrop program office between the hours of 9am and 4pm, Monday through Friday; 1106 College Street Suite D, Bastrop, Texas or
  - Via mail delivery, post marked no later than October 29, 2012 to Bastrop CDBG Application, PO Box 140767, Austin, TX 78714-0767
- LSSDR will assign a case manager (CM) to each applicant chosen. The CM will contact the applicant to verify and collect all required documentation in order to determine eligibility of applicant into the housing program.

## TEXAS WILDFIRES INTAKE APPLICATION

### Frequently Asked Questions (FAQs)

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*What is Down Payment Assistance (DPA)?*

The DPA Program for the 2011 Bastrop Wildfires will provide financial assistance to families purchasing homes in areas impacted by the 2011 Wildfires. Financial assistance will be provided for down payment, reasonable closing costs, pre-paid items and principal reduction for either a single-family property (detached and attached 1-4 units) or a modular home/manufactured home. The program will require that the property being purchased is located within the County of Bastrop and will be subject to property taxes, as verified by current tax rolls.

*The application asks for my "Current Address." Is it asking about my damaged home?*

Not necessarily. We would like to know where you can be reached. It may or may not be the home that was damaged. Specific information on your damaged property is requested elsewhere in the application.

*If I apply, are co-applicants required?*

GLO highly recommends that all adults who will be residing in the home to be purchased co-sign the application. Co-applicants may include a spouse, partner, children (above 18) or other adults. All household members must be listed in the application.

*Is ownership of the house at the time of the event required?*

Not necessarily, renters who did not own homes also qualify. The Down Payment Assistance must be used to purchase a home in Bastrop County.

*If I am currently involved in a legal claim against my insurance company, can I still apply?*

Yes, you may still be eligible for assistance. Any pending legal matters will be reviewed in determining the eligibility of the applicant. All homeowners issued an award under the program will subrogate any future wildfire payments to the program.

*If approved, do I have to pay back the funds used to fix my home?*

No. However, funds expended by the program will be forgiven incrementally over a "Primary Residency Retention Period" that will stipulate that if the home is sold within a period of time after construction is completed, the funds have to be paid back.

*If approved, will I be required to purchase insurance for my home?*

You will be encouraged to obtain and maintain hazard insurance. If your home is located in a floodplain you must maintain flood insurance on the site to be eligible for any future funding.

*What happens if I have spent the proceeds I received from FEMA, SBA, or Insurance?*

The answer to this question depends on the intended purpose of these funds as stated in their award letters and how such funds were actually spent.

*If I had insurance for my (damaged) home at the time of the event, am I disqualified from receiving assistance?*

No. However, please provide us with all information or documentation concerning insurance claims.

*How should I fill out the income section of the application if I receive income from several sources?*

Please provide as much detail on all income sources possible to allow the program to verify your household income. However, your income may not necessarily disqualify you from participating.

*Will I be asked to provide the information requested more than one time?*

As your application progresses through the review process, it is likely you will be asked to provide additional info. As things may change with your situation between the time this application is completed and the time your eligibility status is determined, we will need the most up to date information at all times.

*Is the application available electronically?*

Yes. Please check our website at:

<http://www.glo.texas.gov/GLO/disaster-recovery/wildfires/index.html>

*Will I have to wait until after January 29<sup>th</sup> to know if I am eligible for assistance?*

Applicants will be randomly selected through out the application period in recognition of the expiration of mortgage pre-approvals.

**ASSISTANCE THROUGH THIS PROGRAM IS ONLY AVAILABLE TO RESIDENTS IN BASTROP COUNTY.**

PLEASE PROVIDE THE INFORMATION LISTED BELOW TO ENSURE THAT YOUR APPLICATION WILL BE PROCESSED IN AN EXPEDITED MANNER:

- Completed original GLO Intake Application
- Properly executed GLO Eligibility Release Form
- Copy of the applicant and co-applicant's driver's license (or a state issued photo ID)
- For Homeowner's a Deed in applicant's name or other qualifying ownership documentation

AFTER AN APPLICANT IS RANDOMLY SELECTED FOR AN AWARD, THEY WILL HAVE THREE (3) WEEKS TO PROVIDE THE FOLLOWING DOCUMENTATION TO THE PROGRAM:

- FEMA Award/Denial Letter
- Small Business Administration (SBA) Award/Denial Letter
- Copy of receipts, in applicant's name, for the home repairs that have been made to the damaged property
- Provide any and all proof of income for individuals that live at the property and that are over the age of 18
- Provide any and all written proof of income for everyone in the household.
- 6 months of bank statements
- Last 3 consecutive months of pay check stubs
- Current copy of social security statement/award letter
- Current copy of retirement/pension statements; and
- Current copy of unemployment statement.
- Mortgage pre-approval letter from the lender

For questions regarding the program, please contact Lutheran Social Services Disaster Response (LSSDR) at Toll Free: 1-855-706-7556 or Main: 512-706-7556.